



Aura Announces Pharmadrug Operational & Investor Relations Update

TORONTO, Aug. 13, 2019 -- Aura Health Inc. (the “**Company**” or “**Aura**”) (**CSE:BUZZ, OTCQB:LMLLF**) is pleased to provide an operational update on Pharmadrug Production GmbH (the “**German Business**” or “**Pharmadrug**”) and additional resources allocated to investor relations.

Pharmadrug German Operations

Following Aura’s German operational update on June 5, 2019, Pharmadrug received its second, much larger shipment of medical cannabis from Netherlands at the end of June. July and August sales have been tracking nearly 300% higher than the previous four months.

Currently, Pharmadrug has a 190 kg 12-month allocation from the regulator in Germany, The Federal Institute for Drugs and Medical Devices, known as BfArM (“**BfArM**”). The allocation is sourced solely from Netherlands.

Based on Pharmadrug’s current growth trajectory and the continued chronic supply shortage of medical cannabis in Germany, management is confident in its ability to distribute its full allocation of cannabis over the next several months. While this is dependent on a variety of factors, including continued available supply from Netherlands, management believes it is readily achievable. Based on the current selling price of EUR 9,50 per gram, this would equate to ~CAD\$2.7M in 12-month revenue for Aura.

Additional Growth Planned for Fiscal 2020

Management sees two ways to materially increase Pharmadrug’s German supply and revenue for F2020:

- Increase in the quota from BfArM, achievable once current allocation run rates have been met.
- Source additional suppliers of cannabis. The Company is in active supply discussions with producers in both Canada and Israel, adding to the current 190 kg quota. Aura already has a supply agreement with FSD Pharma (“**FSD**”, **CSE:HUGE**), and is working to equip FSD with EU-GMP certification. Management is confident it can add supply from at least one new producer in both Canada and Israel in 2020.

Expansion Into Additional European Markets

Aura plans to grow its distribution platform beyond Germany into other European Union countries. Pharmadrug is a Schedule I Narcotics distributor, allowing the German Business to export GMP medical cannabis to other EU countries as and when those countries legalize cannabis. For instance, Poland awarded medical cannabis import licenses in 2018 and began importing this year. The French Senate passed a bill in June for a trial run of CBD, trace-THC medical cannabis. With no plans of domestic cultivation, France will require importation of GMP medical-grade cannabis. As well, Italy is currently importing from Netherlands.

Aura and Pharmadrug’s supply agreement discussions address the needs for German demand as well as the requirements for other European markets, including strains with high-CBD and trace-THC. As per our previous operations update (June 5, 2019), Aura believes Israel will be a major supplier of medical cannabis to the European markets due to its adherence to EU-GMP standards, established R&D, and product development policies. Aura intends to be a key player in bringing Israeli supply to the European markets via Pharmadrug.

Investor Relations

Aura continues to invest in its investor relations strategy as management believes the Company’s story is not yet well understood by Canadian and international investors. Aura has extended its agreement with Adelaide Capital (“**Adelaide**”) for a three-month term. Adelaide is a small-cap investor relations firm with relationships in both the institutional and retail landscapes in the Canadian and U.S. markets. Under the terms of the agreement with Adelaide, Adelaide will receive \$8,000 per month and 100,000 options with an exercise price of \$0.22 expiring on August 24, 2021 and vesting immediately.

In addition, the Company has retained Wizard Media Group BV (“**Wizard**”) which operates the website www.smallcaps.us. Wizard has tens of thousands of followers in Europe and North America and since 2003 has assisted hundreds of Canadian-listed companies attain a broader investor following. Wizard will focus on adding a European investor following for Aura’s German-focused business. For the six-month term, Wizard will be paid EUR 15,000.

About Aura Health Inc.

Aura Health is building a vertically-integrated cannabis business focused on Europe and Israel. The Company (i) owns 80% of Pharmadrug, a German medical cannabis distributor, with a Schedule I European Union narcotics license allowing for the importation and distribution of medical cannabis to pharmacies in Germany and throughout the EU, (ii) owns a convertible note convertible into 54% of the outstanding equity of HolyCanna Ltd., a cultivation and nursery license holder in Israel, and (iii) has a binding LOI to purchase 57% of CannabiSendak Ltd., the builder of a network of dispensaries in Israel. Additionally, through significant extraction IP, Aura is dedicated to building a high-margin, downstream business of end-user products.

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This news release may contain forward-looking statements and information based on current expectations. These statements should not be read as guarantees of future performance or results of Aura. Such statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements to be materially different from those implied by such statements. Such statements include reference to Pharmadrug's ability to distribute its full allocation of cannabis over the next several months and potential revenue therefrom, Pharmadrug's ability to increase supply of cannabis and increase its permitted allocation for Germany, the Company's ability to expand into additional European Union markets, the role of Israeli as a major supplier of medical cannabis and the ability of the Company to building a high-margin, downstream business of end-user products. There is no certainty that any of these events will occur. Although such statements are based on management's reasonable assumptions, there can be no assurance that such assumptions will prove to be correct. We assume no responsibility to update or revise them to reflect new events or circumstances.

The Company's securities have not been registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), or applicable state securities laws, and may not be offered or sold to, or for the account or benefit of, persons in the United States or "U.S. Persons", as such term is defined in Regulation S under the U.S. Securities Act, absent registration or an applicable exemption from such registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in the United States or any jurisdiction in which such offer, solicitation or sale would be unlawful.

Additionally, there are known and unknown risk factors which could cause the Company's actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking information contained herein, such as, but not limited to dependence on obtaining regulatory approvals; the ability to locate additional supply of medical cannabis, owning interests in companies or projects that are engaged in activities currently considered illegal under United States federal law; changes in laws; limited operating history, reliance on management, requirements for additional financing, competition, hindering market growth; regulatory and political change.

All forward-looking information herein is qualified in its entirety by this cautionary statement, and the Company disclaims any obligation to revise or update any such forward-looking information or to publicly announce the result of any revisions to any of the forward-looking information contained herein to reflect future results, events or developments, except as required by law.